

IMPORTANT INFORMATION ABOUT YOUR POLICY LOAN

One of the most valuable benefits of your policy is the loan provision. This will answer questions about your new loan and provide options for repayment.

HOW CAN I PAY MY POLICY LOAN INTEREST?

The interest on your loan is due annually in advance. When a loan is made, an amount is added to the principal for interest due from the date of the loan to the next policy anniversary date. If you elect to pay the initial interest, simply send your check for the interest amount shown on the loan explanation on your check stub. Your policy loan will be reduced by the amount you pay.

On the next policy anniversary date when interest is due once again, you will receive an annual interest billing. If you do not pay the interest, it will be added to the policy loan principal.

If you have an existing policy loan balance, interest on the new loan will be billed in the same manner as on the previous loan.

CAN MY METHOD OF INTEREST BILLING BE CHANGED?

You do have other options for paying your policy loan interest. If you are paying on the bank draft or direct billing methods, the monthly, quarterly, or semi-annual interest can be added to your draft or premium notice.

You can request a change in interest billing either at the time you make your policy loan or when you receive your annual interest notice.

WHY SHOULD MY POLICY LOAN BE REPAID?

A policy loan is a reliable source of immediate funds. This can be a valuable part of your financial security. Although the loan may be repaid at your convenience, there are several reasons why you should consider starting repayment of your loan now.

- The restored loan value is again available for future opportunities or emergencies.
- The full death benefit is restored for the security of your beneficiary.
- You will save future policy loan interest charges.
- At retirement, the full cash value of the policy can provide immediate guaranteed income.

HOW CAN I REPAY MY POLICY LOAN?

You may send a check at any time to be credited to your outstanding policy loan balance. Just give us your policy number and instructions on how to apply to your loan. Texas Life also offers two convenient methods to set up a systematic repayment of your policy loan. You may elect one of these repayment options by completing the Loan Repayment Election form and returning it to us in the enclosed preaddressed envelope.

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Policy Number: _____

POLICY LOAN REPAYMENT ELECTION

Please make a loan repayment election below and return this form with your completed loan form. We will bill you yearly for the loan interest amount, even if a repayment method is elected.

LOANS FROM POLICIES ON PAYROLL DEDUCT: Repayment of loan not available through payroll deduct.

REPAY LOAN BY AUTOMATIC BANK DRAFT:

Under this plan you authorize Texas Life to draft your bank account each month for the amount you designate for repayment of your policy loan. If you already pay premiums by bank draft, we can increase your present draft by the repayment amount.

(Please check one)

- Add loan repayment amount of \$ _____ to my regular premium draft.
- Draft loan repayment amount of \$ _____ from my bank. **(Send voided check of account to be drafted)**

MAIL MONTHLY LOAN REPAYMENT REMINDER NOTICES:

We will send you a monthly reminder notice for any loan repayment amount you designate. When you receive the notice each month, just return your payment in the envelope provided. If you already pay your premiums on a direct billing method, the loan repayment amount can be added to your regular premium billing.

(Please check one)

- Add loan repayment amount of \$ _____ to my regular premium notice.
- Mail loan repayment amount of \$ _____ in a separate billing notice.

CONTINUE CURRENTLY ESTABLISHED LOAN REPAYMENT:

Based on your election below, we will either continue the same loan repayment amount currently in place with Texas Life or we will change the loan repayment amount to the amount indicated in this section.

(Please check one)

- Continue loan repayment amount for the same amount currently established.
- Change loan repayment amount to \$ _____.

PERSONAL INFORMATION:

OWNER NAME _____ TELEPHONE NO. _____
 ADDRESS _____
 CITY _____ STATE _____ ZIP _____